

ORAL QUESTION—KEVIN O'REILLY, MLA FRAME LAKE

QUESTION 807-18(3): MACKENZIE VALLEY FIBRE OPTIC LINE

August 14, 2019

MR. O'REILLY: Merci, Monsieur le President. My question is for the Minister responsible for the Mackenzie Valley Fibre Optic Link. In my statement, I recounted how this was justified to this House as a means of connecting our communities to faster Internet services. All of the references portray the project as delivering high-speed fibre optic services in the communities. Can the Minister explain why the promised improvements to Internet service in the communities on the fibre link have not happened? Mahsi, Mr. Speaker.

MR. SPEAKER: Masi. Minister of Finance.

HON. ROBERT MCLEOD: Thank you, Mr. Speaker. The Mackenzie Valley fibre optic line is a backbone transport link to GNWT asset. Linking this backbone to the community is what's called the "last mile." This service is provided by the local service provider as GNWT is not in the business of providing local Internet service. Building this backbone significantly improved the telecommunications infrastructure in the Mackenzie Valley, replacing the aging and costly microwave system. It isn't accurate to say that there haven't been improvement or promises made. The only promises I make are to my grandchildren. We have seen new service providers enter the market in Inuvik and Norman Wells, and I have seen an increase in speeds in communities that was only made possible by the construction of the Mackenzie Valley fibre optic lines. It was officially opened, I think, in June of 2017, and we have seen improvements, Mr. Speaker. Thank you.

MR. O'REILLY: That is great to hear about improvements in two of the many communities that the fibre optic line passes by or through. In addition to the examples I cited, though, we have the Premier on November 23, 2016, talking to the House of Commons Standing Committee on Industry, Science and Technology, "We are connecting all of our communities up and down the Mackenzie Valley." Given that the promise was to have service in the communities, what steps will the Minister take now to deliver on the promise and literally go the extra mile to ensure that the improvements and Internet service actually happen?

HON. ROBERT MCLEOD: I would be interested to hear from some of the smaller communities down the valley to see if their services have improved at all. We know of the federal announcement where they have committed a whole bunch of money to improving broadband in northern communities, and I think our service providers up here was able to take advantage of some of that. We own Mackenzie Valley fibre optic line. I think we're responsible for getting it out to pop-out, as it's called in the community, and then their service provider would go from there.

Again, Mr. Speaker, we shouldn't be throwing around promises. I don't recall making a significant or a particular promise. What we have committed to do, and "committed" is probably a better word, is to improve the service to people down the Mackenzie Valley. I

think that is happening, maybe not to the speed as to what the Member might like, but you can talk to people in a lot of the smaller communities, and I am sure they will agree that their service has improved significantly, and will continue to do so.

MR. O'REILLY: I didn't make those promises. Ministers did in this House, or even outside the House. All I am pushing for is to make sure that we fulfill those promises. There were further promises made to extend the fibre optic link to Tuktoyaktuk. Can the Minister explain the status of this work, its costs, and whether it will happen in advance of real connections and improvements in the communities that were supposed to be served by the fibre link in the first place?'

HON. ROBERT MCLEOD: The GNWT has done some high-level estimates regarding the cost of extending the fibre line to Tuktoyaktuk. This project is being considered as part of the Investing in Canada Plan. The GNWT, we are committed to working on a more detail plan related to this project which will ultimately determine the final cost and timing.

MR. SPEAKER: Masi. Oral questions. Member for Frame Lake.

MR. O'REILLY: Mahsi, Mr. Speaker. I want to thank the Minister for that. Let's move on to the promised revenue stream from the fibre link, which seems to be in the neighbourhood of about \$3 to maybe \$20 million, I'm not sure. The costs are set out in the public accounts at \$3 million a year. Can the Minister explain what the anticipated revenues were supposed to be for this project and why they haven't panned out? Mahsi, Mr. Speaker.

HON. ROBERT MCLEOD: Mr. Speaker, revenue forecasts were developed for the project that were projected to increase over time. Revenue has grown at a pace of around 20 percent a year since the inception of the Mackenzie fibre optic line in 2017, and has met its projected forecast. With the recent approvals related to the Inuvik satellite station, I expect there will be more interest and, coming from small communities such as Inuvik, we see that interest firsthand. Finance continues to work with the federal government on the development of a satellite station facility to further increase revenue. Thank you, Mr. Speaker.